

To the Secretary of the Senate Standing Committee on Economics,

FlexiMeals appreciates the invitation to make a submission to this enquiry which we received at midday today. As you will appreciate, as a small business we do not have sufficient resources to allow us to produce a detailed response to the Standing Committee in the allotted time of 5 hours.

FlexiMeals were surprised that the proposed measures were introduced without any consultation with the industry. It is our assertion that it was a small but popular benefit with staff which encouraged productivity and healthy eating. It was also the only packaging benefit which could be genuinely offered to all staff irrespective of salary level. Our data shows that irrespective of the size of the client or the industry, users always spanned the highest and lowest salary earners in any organisation.

Discussion amongst participants affected by the proposed measures indicate that the estimated saving of \$730m over four years is wildly overstated. Further the assertion that this measure targeted highly paid white-collar workers is patently incorrect. A detailed analysis of the industry will show that the majority of organisations who allowed their staff to package on-site meals were non-CBD and therefore included a high proportion of lower paid blue-collar workers.

It is hard to understand exactly what the policy objectives were behind the proposed changes. For example, the specific mention that subsidised canteens are not affected by the measures seems only to be to the benefit large organisations. Only large businesses can provide onsite food facilities. Further, there is no difference between an employee sacrificing \$1000 per annum in lieu of meal benefits and an employer providing a subsidised canteen to the tune of \$1000 per employee in lieu of paying employees additional salary.

We believe that there should have been more analysis done of the scope of the benefit, the impact of these changes and broader discussion with participants in this area.

We appreciate the opportunity to provide these comments to the Senate Committee.

Regards,
Geoff Austen
Director
FlexiMeals Pty Limited